

**2016 Board of Assessors Report**

This year's Board of Assessors adopted the principle of the Community Standard of Living Method of Arden Assessment in use since 1980 as the basis for determining total land rent.

The "Community Standard of Living Method of Arden Assessment" defines total "Full Rental Value" of the leaseholds as the sum of town expenses (both "non-budget" in the form of county and school taxes, and "budget" as embodied in the town's budget), and the cost of administering the trust, while maintaining a "prudent reserve". This method divides full rental value by acreage of land held privately in leaseholds, such divisions determined by assessors' formulas. The formulas, which are intended to reflect the relative value of leaseholds, are based on lot size, zoning privileges and location factors (see rates and factors below).

A majority of the Board of Assessors continues to endorse the principles of real estate practice in the wider community, which we embody as a multi-tier evaluation of leasehold area. The "A rate" is the base rate, common to all leaseholds - the first 7,116 square feet, using as our unit the area of the smallest leasehold in Arden.

The multiple domicile rate (the "B rate") is set this year at 80% of the "A rate", and charged to each leasehold that has the privilege under zoning regulations and allowance by the Trustees of establishing and maintaining more than one dwelling unit on the leasehold. In any case in which a leasehold has an additional domicile unit, without obtaining zoning from New Castle County, that leasehold shall be assessed the "B Rate" for each additional domicile unit. For each dwelling unit beyond the first, the leasehold is charged the B Rate for an additional 7,116 square feet but is not charged for more than the actual area of the leasehold. The "C rate" is applied to the amount of land on a leasehold not covered by the A or B rates. It is assessed at 40% of the "A rate." The "D rate" is the commercial rate, only applied to one leasehold. It continues at a surcharge of 75%, with no deduction for frontage on Marsh Road. These rates were not changed from the prior year.

The specific location factors are as follows.

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| 1. Leaseholds adjacent to Arden Forest, Ardencroft Forest, or Sherwood Forests                           | +10% |
| 2. Leaseholds fronting on Arden Forest, Sherwood Forest, or Ardencroft Forest by being across the street | +5%  |
| 3. Leaseholds adjacent to or fronting on a communal green  | +5%  |
| 4. Leaseholds adjacent to Harvey Road and/or Marsh Road  | -5%  |
| 5. Leaseholds having driveway access only to Harvey Road and/or Marsh Road                               | -5%  |

**Notes**

1. The specific location factor charges (in dollars) to be added to or subtracted from the sum of the Base Land Rent are obtained by multiplying the Base Land Rent for the leasehold by the appropriate specific location factors as given above.
2. Location factors 4 and 5 are additive if both are applicable.
3. If multiple forest factors apply, the higher of the two factors shall be applied.
4. No fractional or partial factors apply for leaseholds fronting or adjacent to forests or communal greens.